



FirstEnergy Ohio Utilities 2022 Short-Term REC RFP

Presented by: **Dan Bradley**
RFP manager

October 17th, 2022

Good Morning!

Thank you for attending FirstEnergy Ohio Utilities RFP for 2022 Ohio Compliant RECs Webinar

You will remain muted throughout the Webinar - please submit questions via chat

Our session will begin shortly

Our key presenter this morning:

Dan Bradley, Guidehouse (“RFP Manager”)

Disclaimer

Any statements in this webinar presentation describing or referring to documents and agreements are summaries only, and are qualified in their entirety by reference to such documents and agreements as provided in the following RFP governing documents:

- RFP Bidding Rules
- Attachment 1: Communications Protocol
- Online Forms available for completion and submittal to manager@feohiorecrfp.com
 - Credit Application
 - Qualifying Application
 - Bid Price Proposal

Agenda

- Communications Protocol
- RFP Website
- Target Quantities
- Eligibility & Requirements
- Purchase and Sale Agreement Overview
- Proposal Submittal - Required Documents
 - Credit Application – PDF
 - Qualifying Application – PDF
 - Bid Price Proposal – PDF
- Posting Security
- Evaluation
- Executing the PSA
- RFP Schedule
- Questions about the RFP

Communications Protocol

- Contact with FirstEnergy Ohio Utilities is restricted during the RFP process.
- FirstEnergy Ohio Utilities has retained Guidehouse as the RFP Manager for this RFP.
- All contact should be directed to the RFP Manager through the following channels:
 - RFP website: click on “contact” and fill out the form
 - Email: send an email to manager@feohiorecrfp.com
 - Webinar: during this Webinar, interested parties may submit chat questions

RFP Website

Visit <http://www.feohiorecrfp.com> for details



Target Quantity RECs

FirstEnergy Ohio Utilities are seeking to purchase **470,000 firm, unbundled, Ohio compliant RECs.**

- “RECs” means both renewable energy credits and solar renewable energy credits produced from a renewable energy resource generating facility that has been certified by the Public Utilities Commission of Ohio to be eligible to create RECs that may be used to comply with Ohio's alternative energy portfolio requirement.

Eligibility and Requirements

All RECs proposed pursuant to this RFP shall:

- be or have been derived from Eligible Resources;
- be firm offers and not unit contingent offers;
- be or have been generated no earlier than January 1, 2020 and no later than December 31, 2022;
- be consistent with any and all applicable Ohio laws, rules and regulations, including without limitation, rules and regulations promulgated by the PUCO;
- be delivered to FirstEnergy Ohio Utilities no later than February 14, 2023 via the PJM Environmental Information Services Inc.'s Generation Attributes Tracking System ("GATS"); and
- become the sole property of FirstEnergy Ohio Utilities.



Eligible Resources means a renewable energy resource generating facility that has been certified by the Public Utilities Commission of Ohio ("PUCO") to be eligible to create RECs (including SRECs) that may be used to comply with Ohio's alternative energy portfolio requirement.

Instructions for filing an application for certification as an Ohio renewable energy resource generating facility can be found on the PUCO website at:

<https://puco.ohio.gov/wps/portal/gov/puco/utilities/electricity/resources/ohio-renewable-energy-portfolio-standard/renewable-energy-resource-generating-facility-certification>



Under the Purchase and Sale Agreement, all RECs must be delivered to FirstEnergy Ohio Utilities via the GATS Tracking System. GATS is short for the "PJM Environmental Information Services Inc.'s Generation Attributes Tracking System" and is available at: <https://www.pjm-eis.com/getting-started.aspx>

Purchase and Sale Agreement Overview

The terms and conditions of FirstEnergy Ohio Utilities' purchases will be subject to a Purchase and Sale Agreement for Renewable Energy Credits ("PSA")

- All terms and conditions incorporated in the PSA are considered final and non-negotiable
- In the event a successful Proposer fails to secure the quantity of RECs from the renewable generating facility that the Proposer originally planned to use to provide such RECs, it remains that successful Proposer's obligation to deliver to FirstEnergy Ohio Utilities the quantity of RECs set forth in the PSA
- Proposers must be able to meet all requirements of the PSA, and failure to do so will result in exclusion of the Proposer's proposal from further consideration

Proposal Submittal Requirements

- All required forms are available for download on the RFP website
- To submit a proposal, complete and submit forms via email to the RFP Manager at manager@FEOhioRECRFP.com
- A proposal requires a minimum of three (3) forms:
 - Credit Application;
 - Qualifying Application; and
 - Pricing Proposal(s) – if submitting more than one distinct pricing bid, send one Pricing Proposal form for each bid you wish to submit.
- Proposal forms must be submitted to the RFP Manager via email no later than **5:00 pm EPT on November 9, 2022**
- Proposals sent via email after 5:00 PM EPT on November 9, 2022, will be considered untimely and will not be reviewed

Credit Application

- The link to the Credit Application form is available on the “Documents and FAQ’s” page of the RFP website
- Final Credit Applications must be submitted to the RFP Manager prior to the Proposal and Credit Application Due Date of **November 9, 2022 by 5:00 PM EPT**
- All Proposers must submit a credit application. Proposers who submit a credit application early may receive feedback and will have the opportunity to modify their credit application if it is resubmitted prior to the proposal due date
- Credit Applications are used to determine the amount (if any) of security that would be required under the PSA

Qualifying Application

- The link to the Qualifying Application form is available on the “Documents and FAQs” page of the RFP website
- The Qualifying Application consists of two (2) parts, both of which must be completed in full
 - Proposer Information
 - Confirmation of PSA and Statement of REC Compliance, which must be signed by an authorized representative

Bid Price Proposal

- The Bid Price Proposal Application form is available on the RFP website
- All Pricing Proposals must specify the contract amount and fixed price for all 2022 Ohio Compliant RECs proposed for delivery
- You may submit multiple Bid Price Proposal forms to submit multiple pricing bids; however, you must structure the bids such that you are capable of delivering all REC contract amounts proposed
- *All contract amounts are considered “up to” such that FirstEnergy Ohio Utilities reserves the right to offer to award a smaller contract amount than bid*

Posting Security

No Security needs to be posted by a Proposer unless the bid award is greater than \$500,000 and the Proposer does not have an adequate credit rating to support the credit required for the PSA

- Any security required must be posted by November 18, 2022 (**not with your bid**)
- Seller shall post such security in the form of:
 - Letter of Credit in the form of Appendix B in the PSA; or
 - Guaranty in the form of Appendix C in the PSA; or
 - Cash
- Upon Proposer's request, collateral posted as security will be reduced and returned proportionally based on Proposer's delivery and FirstEnergy Ohio Utilities' confirmation of the number of RECs delivered to the total contracted amount

Evaluation Process

Part One

Proposal Qualification

- The RFP Manager will review each proposal to confirm:
 - received on time
 - contains the required documents (Credit Application, Qualifying Application, Bid Price Proposal) fully completed
- RFP Manager may ask clarifying questions of a Proposer via email to complete its review
- Time is of the essence and failure to respond or late response to any such request may result in a Proposal not being qualified

Evaluation Process

Part Two

Bid Price Stacking and Selection

- The RFP Manager will:
 - sort qualified Bid Price Proposals by price
 - select Bid Price Proposals by price up to the target quantities sought by FirstEnergy Ohio Utilities in this RFP
- In the event of “tied” Bid Price Proposals preference will be given to:
 - (i) projects that are physically located within the State of Ohio; and
 - (ii) the larger volume Proposal
- All Bid Price Proposals will be considered an offer to supply any quantity up to the quantity specified in the bid.
- If selection of the next incremental Proposal in terms of price exceeds the Target Quantity, the selection would be limited to the amount remaining to fulfill the Target Quantity.

Executing the PSA

- After Part 2, FirstEnergy Ohio Utilities will prepare a PSA that incorporates information from Winning Proposals
- PSA(s) will be sent to winning Proposers via email
- **Within three (3) business days of receipt:** Winning Proposer shall execute and return the applicable PSA to FirstEnergy Ohio Utilities via an email with a PDF of the executed PSA
 - Proposers who have difficulty with these requirements may make special arrangements with the RFP Manager

Target Schedule of Events

Activity	Date
Issue RFP Documents	Oct. 10
RFP Overview Webinar (11:00 AM EPT)	Oct. 17
FAQ Deadline (5:00 PM EPT)	Oct. 21
FAQ Responses Posted on Web site	Oct. 28
Credit Application Preferred Submittal Date	Nov. 1
Qualifying Application, Credit Application, and Bid Price Proposal Submission Due (5:00 PM EPT)	Nov. 9
Notification of Successful Proposer Award(s)	Nov. 15
Executed PSAs (PDFs) due back	Nov. 18
Posting of Security (if applicable)	Nov. 18

Questions about the RFP

- Questions about the RFP should be submitted by potential Proposers to the RFP Manager at manager@FEOhioRECRFP.com
- Questions can be submitted on or before **FAQ Deadline of October 21, 2022 at 5:00 PM EPT**
- Responses to questions will be posted on October 28, 2022 to the “Documents and FAQs” section of the RFP website

Your Guides

Please contact the RFP Manager
with any questions.

Guidehouse Inc.
RFP Manager
manager@FEOhioRECRFP.com

**Thank You for
Participating!**

